

**ADJUSTING RATES OF EXCHANGE FOR "FOREIGN CURRENCY FLUCTUATIONS, DEFENSE,"  
"FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION" AND  
"DEFENSE MILITARY CONSTRUCTION AND FAMILY HOUSING"  
For Month Ended 10/31/02**

COUNTRY	MONETARY UNIT	O&M (DOD) FY 2003 BUDGET RATE		MILCON & FH FY 2003 BUDGET RATE		ADJUSTING RATE **	
		U.S. DOLLARS FOR ONE UNIT OF FOREIGN CURRENCY	UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	U.S. DOLLARS FOR ONE UNIT OF FOREIGN CURRENCY	UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	ADJUSTING RATE (IN U.S. DOLLARS)	ADJUSTING RATE (IN FOREIGN CURRENCY)
BELGIUM	FRANC	0.0217713	45.9321	0.0217713	45.9321		
DENMARK	KRONE	0.1180192	8.4732	0.1180192	8.4732	0.1332001	7.5075
EUROPEAN UNION*	EURO	0.8782716	1.1386	0.8782716	1.1386	0.9898050	1.0103
FRANCE	FRANC	0.1338885	7.4689	0.1338885	7.4689		
GERMANY	DEUTSCHE MARK	0.4490346	2.2270	0.4490346	2.2270		
GREECE	DRACHMA	0.0025774	387.9900	0.0025774	387.9900		
ITALY	LIRA	0.0004536	2,204.6900	0.0004536	2,204.6900		
JAPAN	YEN	0.0080431	124.3300	0.0080431	124.3300	0.0081599	122.5500
NETHERLANDS	GUILDER	0.3985334	2.5092	0.3985334	2.5092		
NORWAY	KRONE	0.1107260	9.0313	0.1107260	9.0313	0.1343996	7.4405
PORTUGAL	ESCUDO	0.0043808	228.2700	0.0043808	228.2700		
SINGAPORE	DOLLAR	0.5439513	1.8384	0.5439513	1.8384	0.5656109	1.7680
SOUTH KOREA	WON	0.0007905	1,265.0000	0.0007905	1,265.0000	0.0008170	1,223.9900
SPAIN	PESETA	0.0052784	189.4500	0.0052784	189.4500		
TURKEY	LIRA	0.0000007	1,493,000.0000	0.0000007	1,493,000.0000	0.0000006	1,666,667.0000
UNITED KINGDOM	POUND	1.4102383	0.7091	1.4102383	0.7091	1.5647004	0.6391

\* On January 1, 1999, the euro became the official currency of 11 member states of the European Union with a fixed conversion rate against their national currencies. The euro was adopted by Greece on January 1, 2001. The value of the euro fluctuates according to market conditions against the dollar and all other currencies. Euro notes and coins were introduced to replace national notes and coins on January 1, 2002. The above foreign currency budget rates are based on Program Budget Decision (PBD) 660, dated December 19, 2001.

\*\*Adjusting exchange rates for the individual euro-area currencies are no longer provided. Use the fixed conversion rates as follows: 1 Euro = 40.3399 Belgian Francs, 6.55957 French Francs, 1.95583 German Marks, 1936.27 Italian Lire, 2.20371 Netherlands Guilders, 200.482 Portuguese Escudos, 166.386 Spanish Pesetas, 340.750 Greek Drachmas.